## CHECKLIST ENVIRONMENTAL ASSESSMENT

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| **Project Name:** | WBI Energy Natural Gas Pipelines Extrication Land Use License #6214 |
| **Proposed Implementation Date:** | Spring 2013 |
| **Proponent:** | WBI Energy Transmission, Inc. |
| **Location:** | Section 15, Township 2 South, Range 24 East (Yellowstone River – Public Land Trust) |
| **County:** | Yellowstone County |

## I. TYPE AND PURPOSE OF ACTION

WBI Energy Transmission, Inc. (WBI) has applied for a Land Use License (LUL) from the DNRC Southern Land Office (SLO) to temporarily occupy the bed of the Yellowstone River south of Laurel in order to remove abandoned 8" and 16" natural gas pipelines that are located in the bed of the Yellowstone River. Both of these lines are partially exposed. The 16" pipeline is located in a 50' historic easement (Application #14959) that was approved by the Land Board on 18 December 2009. WBI installed a new 16" pipeline within this easement in early 2012 via HDD and this pipeline is now located 40-90' below the bed of the Yellowstone River. A condition of approval for the new line to be installed in the existing easement was that the old pipeline needed be removed by late 2012 or early 2013. The 8" pipeline was partially removed in 2009 after it ruptured in the main channel of the Yellowstone River. A new 16" line was installed to replace it through a new easement (Application #14960) that was also approved on 18 December 2009. Both of the operational 16" pipelines provide natural gas to customers in Laurel and Billings.

WBI plans to excavate into the south bank about 40' at each pipeline location and then cut and cap the ends of the pipe. The south bank contains Riverside Park and the City of Laurel will be following behind this work with a bank stabilization project that was approved by the SLO via Land Use License #6202.

The portions of the pipeline under the gravel bar/island and high water channel along the north shore of the Yellowstone River will require trenching; similar to work performed by the contractor that extricated the pipelines for ExxonMobil and ConocoPhillips in this same general location in 2011. At the north shore line, the old pipe will remain in the ground but will be capped and abandoned in place.

The abandoned WBI pipelines are located approximately 500-600 feet east of the U.S. Highway 212/310 bridge. These pipelines are located between the Exxon Silvertip location and the former ConocoPhillips Glacier pipeline. The WBI 8" line is located ±100' downstream of the former ConocoPhillips pipeline and ±150' upstream of the ExxonMobil Silvertip line. The WBI 16" line is ±150' downstream of the former ConocoPhillips line and ±100' upstream of the Silvertip pipeline. (see attached Exhibit A)

The DNRC Southern Land Office (SLO) completed an Environmental Assessment on 22 September 2011 for Land Use License #6196, which authorized ExxonMobil Pipeline Company to occupy the Yellowstone River to remove the ruptured Silvertip Pipeline. The SLO also completed an Environmental Assessment (EA) to permit the removal of the abandoned ConocoPhillips Glacier Pipeline on 31 October 2011.

This Environmental Assessment (EA) for the WBI pipelines removal will incorporate some information from the 9/22/11 ExxonMobil Silvertip Land Use License EA through section and page references. A complete copy of that EA may be obtained from the Southern Land Office.

## II. PROJECT DEVELOPMENT

**1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:**
*Provide a brief chronology of the scoping and ongoing involvement for this project.*

The DNRC Southern Land Office (SLO) did not perform any specific scoping or public involvement for this requested action. However, the SLO did perform scoping for the previous ExxonMobil Land Use License request as well as for the installation of the new Silvertip Pipeline. Details of the public involvement performed for the ExxonMobil Silvertip extrication can be found on pages 1-2, Section 1 of that EA.

**2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:**

Yellowstone Conservation District: 310 Permit
Yellowstone County: Floodplain Permit
US Army Corps of Engineers: Section 404 Permit
Montana Department of Environmental Quality: 318 Permit
City of Laurel: Approval for use/occupancy of Riverside Park

**3. ALTERNATIVES CONSIDERED:**

**No Action Alternative**: Deny the request by WBI Energy Transmission, Inc. to issue a Land Use License to remove abandoned 8" and 16" natural gas pipelines located between the low water marks of the Yellowstone River.

**Proposed Alternative**: Approve the request by WBI Energy Transmission, Inc. to issue a Land Use License to remove abandoned 8" and 16" natural gas pipelines located between the low water marks of the Yellowstone River.

## III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

**4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:**
*Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.*

The proposed action by WBI Energy Transmission, Inc. (WBI) has the potential to impact geology and soil quality and stability due to the third and fourth trenches that will be dug through the island from the north bank to the active channel. There is potential for long term impacts to geology and soil quality and stability due to the potential inability of the contractor to compact the trenched area back to its current state. If the filled trenches cannot resist erosion, then potential adverse impacts would be the bifurcation of the island, as well as increased sedimentation into the Yellowstone River. However, if the pipelines are left in place under the island and the Yellowstone River shifts back to the north it could result in the southern island edge being eaten away and exposing the pipeline which would require WBI to return to the Yellowstone to remove the remaining portions of the pipelines. The proposed action has potential for adverse impacts; however, the alternative of leaving the pipelines in place under the island in the riverbed also has potential future impacts.

**5. WATER QUALITY, QUANTITY AND DISTRIBUTION:**
*Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.*

The proposed action by WBI has the potential to impact water quality due to the two additional trenches that will be dug through the island near the north bank. There is a potential for long term impacts to water quality due to the potential inability to compact the trenched areas back to their current state. This may result in erosion of the trench and bifurcation of the island, as well as increased sedimentation into the Yellowstone River.

Implementation of the proposed alternative may cause short term adverse impacts to water quality with the potential that some of these impacts could be lessened depending upon the method that is used for extraction and the depth of pipeline. As mentioned above, the potential longer term impacts to water quality could occur from the erosion of the four trenches that will have been dug through the island. Additionally, materials that are temporarily moved from the island to construct the ramps from the north shore may erode when placed back in their original location on the island.

**6. AIR QUALITY:**
*What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.*

No significant impacts to air quality are expected by implementing the proposed action.

**7. VEGETATION COVER, QUANTITY AND QUALITY:**
*What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.*

The island/gravel bar that is proposed to have two trenches through it to remove the existing abandoned pipelines does not contain any vegetation. No significant impacts to vegetative cover, quantity and quality are expected by implementing the proposed action.

**8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:**
*Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.*

The noise from the heavy equipment used in the extrication process could cause temporary displacement of wildlife. However, no significant long term impacts to terrestrial, avian and aquatic life and habitats are expected by implementing the proposed action.

**9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:**
*Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.*

A search of the Montana Natural Heritage Program database indicated that there were seven-(7) species of concern known to occur in Township 2 South, Range 24 East. These species of concern are noted below in Table 3-3 from the Arcadis report used in the ExxonMobil Silvertip EA:

**Table 3-3 Species of Concern Known to Occur in Township 2 South, Range 24 East**
Source: Table 3-3 (pages 57-58) Arcadis Environmental Assessment of ExxonMobil Pipeline, Yellowstone HDD Project (August 1, 2011)

| Scientific Name | Common Name | Status[1] | Habitat Description | Potentially Occurs in Project Area? |
|---|---|---|---|---|
| ***Birds*** | | | | |
| *Ammodramus bairdii* | Baird's Sparrow | S3B | Grasslands | No – no suitable grassland habitats are present |
| *Ardea herodias* | Great Blue Heron | S3 | Riparian forest | Yes – there is suitable habitat present. Great blue herons are found in the area year-round and may breed and winter in the riparian habitats along the Yellowstone River (MDFWP 2011c). |
| *Coccyzus americanus* | Yellow-billed Cuckoo | S3B | Prairie riparian forest | Yes – there is suitable habitat present. Yellow-billed cuckoos breed in Montana and winter in South America. This species may nest in the riparian habitats along the Yellowstone River (MDFWP 2011c). |
| *Gymnorhinus cyanocephalus* | Pinyon Jay | S3 | Open conifer forest | No – there is no suitable coniferous forest habitat present |

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| *Haliaeetus leucocephalus* | Bald Eagle | S3 | Riparian forest | Yes – there is suitable habitat present. Bald eagles are year-round residents of the area. In spring and summer, they may nest in large cottonwood trees along the Yellowstone River. In fall and winter, they may roost in riparian habitats within and near the project area and forage along the Yellowstone River (MDFWP 2011c). |
| ***Fish*** | | | | |
| *Oncorhynchus clarkii bouvieri* | Yellowstone Cutthroat Trout | S2 | Streams, rivers, lakes | No – there is suitable habitat present, but Yellowstone cutthroat trout are not currently known to occur in the segment of the Yellowstone River near the project area (MDFWP, 2011b, 2011c). |
| ***Mammals*** | | | | |
| *Cynomys ludovicianus* | Black-tailed Prairie Dog | S3 | Grasslands | No – there are no prairie dog colonies in the project area, and there is no suitable grassland habitat present. |
| ***Reptiles*** | | | | |
| *Apalone spinifera* | Spiny Softshell | S3 | Prairie rivers and streams | Yes – there is suitable habitat present. Spiny softshells occur year-round in the Yellowstone River drainage. In summer, spiny softshells forage in the water, often in vegetated shallows. They overwinter in burrows dug into the bottoms of permanent water bodies (MDFWP 2011c). |

[1] *S2 = At risk because of very limited and/or potentially declining population numbers, range and/or habitat, making it vulnerable to global extinction or extirpation in the state;*
*S3 = Potentially at risk because of limited and/or declining numbers, range and/or habitat, even though it may be abundant in some areas;*
*S3B = Potentially at risk because of limited and/or declining numbers, range and/or habitat, even though it may be abundant in some areas, and rank refers to the breeding population of the species in Montana.*
Source: MTNHP 2011.

Implementation of the proposed alternative may cause minor short term impacts to species of concern for the duration of the project. The noise from construction equipment could disperse or cause wildlife to temporarily avoid the area. The removal of the pipelines from the main channel of the Yellowstone River could temporarily disrupt passage for spiny softshell or fish. Once the project is complete, there are not expected to be any significant long term impacts.

**10. HISTORICAL AND ARCHAEOLOGICAL SITES:**
*Identify and determine effects to historical, archaeological or paleontological resources.*

The extent of review for historic and archaeological sites was limited to state-owned land. In the case of this project, this land is under the bed of the navigable Yellowstone River, including the island near the north shore. The Southern Land Office consulted with the DNRC Archaeologist regarding the project and surrounding area and there were no concerns expressed. No significant adverse impact to historic or archaeological sites on state-owned land is expected as a result of implementing the proposed alternative.

**11. AESTHETICS:**
*Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.*

The proposed action would result in the temporary occupation of the Yellowstone River approximately 500-600 feet east of the US Highway 310/212 Bridge. The surface area that would be disturbed would be visible from the bridge, as well as from Riverside Park. The only portion of the project that may be visible after its completion is the area of the island/gravel bar that is disturbed by trenching.

If the Proposed Alternative is implemented, there would be a short-term increase in sound due to the equipment utilized in construction. The proposed action would add to the existing noise levels, but this short term addition is not expected to cause a significant adverse impact.

**12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:**
*Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.*

Implementing the Proposed Alternative is not expected to result in a significant impact on environmental resources.

**13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:**
*List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.*

The permits that are required by other local, state and federal agencies or departments for the proposed project are listed above in Section 2 of this EA. There are no other known future projects in the area that would require permitting from the Southern Land Office.

## IV. IMPACTS ON THE HUMAN POPULATION

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" If no impacts are identified or the resource is not present.*

**14. HUMAN HEALTH AND SAFETY:**
*Identify any health and safety risks posed by the project.*

If the pipelines are not removed, the potential remains that one or both could snag debris and pose a hazard to boaters or floaters recreating on the Yellowstone River. The extrication of the abandoned pipelines will remove an existing hazard from the River and is not expected to have a significant adverse impact on human health and safety.

**15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:**
*Identify how the project would add to or alter these activities.*

Implementation of the Proposed Alternative is not expected to have a significant impact on industrial, commercial and agricultural activities and production.

**16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:**
*Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.*

Implementation of the Proposed Alternative is not expected to have a significant impact on employment in Yellowstone County. The project will be of a relatively short duration and it is unknown at this time how many local employees will be utilized.

**17. LOCAL AND STATE TAX BASE AND TAX REVENUES:**
*Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.*

Implementation of the Proposed Alternative is not expected to have a significant impact on local and state tax base and revenues since it would only allow the removal of two abandoned natural gas pipelines.

**18. DEMAND FOR GOVERNMENT SERVICES:**

*Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services*

Implementation of the Proposed Alternative is not expected to have a significant impact on the demand for governmental services.

**19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:**

*List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.*

Implementation of either the Proposed Alternative is not expected to conflict with any locally adopted plans.

**20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:**

*Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.*

Implementation of the Proposed Alternative would cause short term impacts to recreation access since the City of Laurel will likely keep all or a portion of Riverside Park closed for the duration of the extrication project. Additionally, WBI may need to temporarily close this stretch of river while the pipelines are being removed. The project is proposed to be implemented in early spring, so it will occur before there is intensive use of the river and park. Implementing the proposed action is not expected to cause any significant adverse long term impacts.

**21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:**

*Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.*

Implementation of the Proposed Alternative is not expected to have a significant adverse impact on density and distribution of population and housing.

**22. SOCIAL STRUCTURES AND MORES:**

*Identify potential disruption of native or traditional lifestyles or communities.*

There are no native, unique or traditional lifestyles or communities in the vicinity that would be impacted by implementation of the No Action Alternative or the Proposed Alternative.

**23. CULTURAL UNIQUENESS AND DIVERSITY:**

*How would the action affect any unique quality of the area?*

Implementation of the Proposed Alternative is not expected to have a significant adverse impact on cultural uniqueness or diversity.

**24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:**

*Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.*

The State will benefit by getting a one-time fee of $1,000 for the Land Use License. The Public Lands Trust is the beneficiary of this payment since it involves a navigable river.

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| **EA Checklist Prepared By**: | **Name:** | Jeff Bollman, AICP | **Date:** | 31 January 2013 |
| | **Title:** | Area Planner, Southern Land Office | | |

## V. FINDING

**25. ALTERNATIVE SELECTED:**

The Proposed Alternative has been selected and it is recommended that a Land Use License be issued to WBI Energy Transmission, Inc. (WBI) to allow the temporary occupancy of the bed of the Yellowstone River south of Laurel in order to remove the abandoned 8" and 16" natural gas pipelines that are located between the banks of the Yellowstone River. Based on the need to remove the exposed pipelines from the Yellowstone River, this alternative accomplishes that with the least impact to the environment. The portions of the pipelines that are currently exposed in the main channel of the Yellowstone are a hazard and their removal will improve the safety of the users of the Yellowstone River. The 16" pipeline is located in a 50' historic easement (Application #14959) that was approved by the Land Board on 18 December 2009. WBI installed a new 16" pipeline within this easement in early 2012 via HDD and this new pipeline is now located 40-90' below the bed of the Yellowstone River. A condition of approval for the new line to be installed in the existing easement was that the old pipeline needed be removed by late 2012 or early 2013. Granting this LUL will fulfill this condition. The 8" line ruptured in 2009 and a portion of the pipeline was removed at that time. The actions proposed with this License would remove the remainder of the abandoned pipe from the state-owned river bed.

**26. SIGNIFICANCE OF POTENTIAL IMPACTS:**

The potential for significant adverse impacts has been lessened as much as possible based on the required scope of work for the proposed project. There are no natural features or nearby species of concern noted that were expected to produce adverse impacts from implementing the Proposed Alternative. Potential adverse impacts will be avoided or mitigated by the project through the implementation of the following conditions of the Land Use License:

1. WBI Energy Transmission, Inc. shall provide the State at least seven days notice prior to the start of work in the river.
2. All in-river work shall be completed in an expeditious manner to avoid unnecessary impacts to the river.
3. A maximum of two-(2) ramps may be constructed from the north shore of the River, across the high water channel to the island through this. The width of the ramps shall be as small as possible to safely complete the project.
4. The Licensee agrees to hold harmless, defend, and indemnify the State of Montana, its officials, agents, and employees, against all claims, demands, and causes of action of any kind or character, arising in favor of the Licensee's employees or third parties on account of bodily or personal injuries, death, hazardous materials response and clean-up costs, civil or administrative penalties, or damage to property arising, out of or resulting from the negligent or intentional acts or omissions of the Licensee, its agents, employees, subcontractors, or its representatives upon the premises described above within this Land Use License occurring during the term of this Land Use License.
5. All activities performed in the river and immediate vicinity shall be conducted in a manner to reduce turbidity along with minimizing disturbances to the riverbed and riverbank.
6. To prevent leaks of petroleum products into the river, no defective equipment shall be operated in the river or adjacent areas.
7. All necessary permits will be secured before any activities begin.

**27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:**

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| ☐ | EIS | ☐ | More Detailed EA | **X** | No Further Analysis |

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| **EA Checklist Approved By**: | **Name:** | Matthew Wolcott |
| | **Title:** | Area Manager, Southern Land Office |
| **Signature:** /s/ Matthew Wolcott | | **Date**: February 1, 2013 |

**Exhibit A – Plan View of Yellowstone River Showing Current and Former Pipelines in License Area**